

**BUDGET SESSION
CITY OF WATERTOWN
MAY 4, 2002
9:00 A.M.**

MAYOR JOSEPH M. BUTLER PRESIDING

PRESENT: **COUNCILWOMAN ROXANNE M. BURNS
COUNCILMAN PETER L. CLOUGH
COUNCILMAN PAUL A. SIMMONS
COUNCILMAN JEFFREY M. SMITH
MAYOR BUTLER**

ALSO PRESENT: **CITY MANAGER JERRY C. HILLER
ASSISTANT CITY MANAGER MARY M. CORRIVEAU
CITY COMPTROLLER JAMES M. McCAULEY
WATER SUPERINTENDENT GARY PILON
DPW SUPERINTENDENT EUGENE HAYES
CHIEF WWTP OPERATOR MICHAEL J. SLIGAR**

DPW

Mayor Butler asked Mr. Hayes if he had implemented a plan for the \$168,000 in cuts that Council had approved.

Mr. Hayes explained that at this time it is still being processed and he is not prepared at this time to have a final answer. He explained that even though there are cuts as a result of vacancies, these vacancies might be moved within the department.

Councilman Clough asked if the three people are still needed in Thompson Park.

Mr. Hayes explained that it is important to have a full time staff present in the park during non-winter months. He explained that there are three positions there, because we don't have year around part-time staffing.

Council began page-by-page budget review.

Page 94 – Hydroelectric Production

Councilman Simmons questioned the \$40,000 amount in the workers' comp. account.

Mrs. Corriveau explained that this is for a worker who was injured at the hydro facility and it is long-term comp.

Page 95 – Municipal Traffic Control & Lighting

Mrs. Corriveau explained that the street lighting account is up 30% because the City is required to pay for electricity, not for the maintenance. She advised Council that most municipalities pay for both.

Page 99 - Airport

Councilman Smith raised questions concerning the \$39,000 revenue in the budget.

Mr. Hayes, Mrs. Corriveau and Mr. Hiller answered questions concerning the FBO, what his duties are and how the contract between the City of Watertown and the FBO is written. It was explained that the FBO pays the City for a lease and then, in turn, leases out the hangars to aircraft owners. The City is in Year 10 of a 40-year contract. The FBO pays \$750 rent each month as well as a graduated percentage of fuel sales. In addition the fees are escalated every five years by 5%.

Councilman Smith questioned why there is a need for three airport maintenance mechanics if there is a FBO there.

Mr. Hayes explained that these positions are responsible for such things as the repairs to the terminal building, plowing snow, keeping the grass down and repairs to the runway. These employees are also firefighters. The FAA requires that they train as aircraft firefighters. The City is obligated to send these employees to volunteer firefighter training. Mr. Hayes explained that this is different from professional firefighter training. They have to have wildlife and herbicide training.

Councilman Smith questioned why the City would be responsible for cleaning up the contamination at the airport and why the FBO wasn't the one paying for the costs.

It was explained that the City owns the airport and is therefore responsible for any leakage from tanks that may occur. The old system leaked and contaminated the soil. Therefore the City is responsible. The new fuel system is about three years old. The FBO could only be held responsible if the contamination was caused when the fuel entered the plane.

Mr. Hayes explained that the contaminated soil project is between 30 and 40% completed. He also stated that they are looking at an early substantial savings from what was originally anticipated in costs.

Mr. Hayes advised the Council that he recently met with the people who actually award the grants to the City. He explained that this was the first time they had met with anyone from Watertown. He stated that they understood the City's economic concerns. He also commented that the City has secured a different airport engineering firm and the City is now becoming more familiar with how our airport runs in comparison to other airports of our size. Mr. Hayes also discussed a new idea that is being used in others areas whereby corporations share planes on a time-share basis.

Page 102 – Bus

Mr. Hayes answered questions concerning the overtime account by explaining that this is to cover call-ins when additional drivers are needed if the City is short drivers. In addition, all are CSEA workers who are paid overtime.

Mrs. Corriveau explained that the City also provides transport support for various events in the City such as First Night.

Mayor Butler advised Council that since a resolution will be coming before them at Monday's meeting to approve the purchase of two additional buses, he had asked Mr. Hayes to see if the City could opt out without any federal ramifications.

Mr. Hayes explained that he had called the Orion factory. The production of the buses will not commence until June 10th. However, the material is already there. There will be a cost to canceling the order. The amount of this cost will not be known until Friday, when the Vice President of the company gets back to Mr. Hayes.

Mayor Butler explained that by purchasing the buses, the City would have to increase the routes and hire more drivers and he questioned how the City could do that and eliminate other employees at the same time.

Councilman Clough questioned if the cost of getting out of the contract would be equivalent to the 10% city share in the grant. He also questioned if we needed to expand the route system to four or if the City would have to because of federal grants.

Mr. Hayes commented that the state paid for a study a few years ago. While it was recommended that the City double its fleet, the end result was that the state wanted the City to look at increasing ridership and the optimum to do so was using four buses. He also explained that if the City went with the existing routes, the state would buy one spare bus, but not the second bus.

Councilman Simmons questioned the need for a transit supervisor and suggested that it be done through Mr. Hayes.

Mr. Hayes explained that this position is extremely important to the transit program. It is the position that manages all ticket sales, contacts schools and social service agencies and is continually following the constantly changing transportation regulations. It is a networking position that deals with Albany and the person in the position brings in a great deal of money for state training at state expense.

Mrs. Corriveau added that the state is also purchasing computers for this department. She explained that it is the connections that the transit supervisor and the head bus driver have made that have brought money into the City.

Mayor Butler questioned if the bus department could be contracted out to a private firm.

Mr. Hayes explained that in the past there was an interest expressed by Centro. However, that never materialized.

Mr. Hiller explained that any changes such as that would have to be negotiated with CSEA.

Councilwoman Burns asked if the first grant monies would be affected if the City doesn't take the second one.

Mr. Hayes stated that it might have an effect on those monies as well. He discussed the design and how all targeted monies would have to be re-negotiated. He explained that the grant money is driven by the number of buses.

Councilman Smith questioned about raising bus rates.

He was advised that the last increase was in 1996.

Councilman Clough asked about the paratransit contract.

Mr. Hayes explained that this is due to go out for bid in a few weeks. He also explained that Guilfoyle underestimated the demand and they lost money. They will be bidding higher for the next bid. He also explained that this service is for anyone who needs paratransit service in the City and goes $\frac{3}{4}$ mile outside the regular bus route.

It was also explained to Council that just because there has to be handicap lifts on all the new buses, it doesn't mean that we can get out of paratransit.

Mayor Butler asked that a report be prepared indicating the net costs of the operations.

Mr. Hiller asked if Council wanted to meet with the Transportation Commission, as they are the ones who recommend routes, etc.

Mayor Butler indicated that they might want to meet with the Commission at a later time.

Page 104- City Parking Facilities

Councilman Simmons asked if the City could charge for parking by issuing permits for the parking lots.

Mr. Hiller stated that it could be done and it was done in the past.

Page 78 – Information Technology

Mrs. Corriveau explained that considerable advances have been made in this area since the IT Manager began work.

Mr. Keenan, IT Manager, explained to Council the fact that the improved web site has been put in place and is updated on a daily basis. He explained that an updated system and new network has been put in at the Emma Flower Fire Station. A new system is being installed at Water Distribution and one is being worked on at the Police Department.

Councilman Smith asked how long it would be before e-government is being used in the various departments.

Mr. Keenan explained what was being done now and also the safety concerns that need to be addressed in some instances prior to implementing full e-government in all departments. He explained that already the minutes, agenda, and department information are available.

Mrs. Corriveau also mentioned that the City Clerk's Office has been using the e-government for quite some time.

Mrs. Dutton explained to Council the many forms that are on the web site and how people can actually conduct business with her office via e-mail and downloading forms.

Impact of Water and Sewer Rate Changes

Mr. Pilon, Superintendent of Water, provided a report to Council outlining the impacts of these proposed changes based on quarterly billing.

Councilman Simmons asked how it would affect outside sales.

Mr. Pilon explained that the contract with the Town of Watertown ties their rates to ours.

Mrs. Corriveau explained that the DANC contract, on the other hand, pays the actual costs and it is not driven by rates on water and sewer.

Page 163- Sewer Fund Administration

Councilman Smith asked if the electronic readers had been placed on the outside of all the property in the City.

Mr. Pilon explained that it was about 95% done. He also explained that any of the new systems would still allow for a manual read.

Councilman Simmons questioned how long the City has had two meter readers.

Mr. Pilon stated that the City had two until Mr. Amylon cut it back to one. Then, a person had to be taken out of distribution to help since one person can't handle all of it.

Councilman Smith commented that with all the time saved as a result of the electronic readings and not having to go into the building and find the meter, the meter readers could do other jobs.

Mr. Pilon explained that they still have to walk the route and write down the results.

Mrs. Corriveau advised Council that the budget would look differently next year in this area.

Councilman Smith asked if there were any recommendations in terms of savings in these accounts.

Mrs. Corriveau responded that part of the re-organization focus has been in these departments. She stated that they should have a report ready in about a week or two.

Mr. McCauley answered questions concerning the G2370 Account. He explained that this is billing to DANC and as debt goes down, the percentage goes down. He stated that this amount is an estimate.

Page 169 – Sewage Treatment and Disposal

Councilman Smith asked about the scrubber ash disposal and if we asked about putting it in our existing landfill.

Mr. Sligar, Chief WWTP Operator, explained that the waste is very red. Any water that it co-mingles with becomes very noticeable. We can't open existing caps. However, we could put it down and then cap. We can't move it to Water Street and the cost of putting caps on prohibits any potential savings.

Councilman Smith asked about using other sites.

Mr. Sligar explained that it needs to be put above ground water and below an impervious barrier. If a parking lot was being constructed anyway, it could be placed there with the impervious layer for the parking lot being placed over it.

Mr. Hiller stated that the City could ask DANC for an extra-preferred rate. However, they haven't been successful in the past.

Page 26 – Contingent

Mayor Butler proposed reducing the amount of \$919,500 by \$315,000. He stated that this reduction would lower the tax rate by about 4 or 5%. He stated that when the money was put aside, it was thought that the cost of living would come in higher. However, it was lower and therefore, not as much money would be needed in the account. He stated that if

Council decides later that there must be more money for CSEA/Police, they would have to move more funds into the account. He stated that it doesn't preclude re-adjustments. He stated that he would prefer less money into salaries than to cut positions.

Councilwoman Burns remarked that she would also prefer to avoid cuts in personnel if possible. She stated that cuts in personnel equate to reduction in services and dedicated employees losing their jobs.

Councilman Clough questioned the numbers and stated that this is a band-aid approach. He questioned the percentage of raises and stated that if it comes in higher than 2% for CSEA, the City would have to look for more money. He stated that Council is delaying the inevitable. He stated that he didn't know if this was being realistic.

Mayor Butler stated that Management raises would also be reduced to 2%. He also explained that the City has some very good long term budget plants that cant' be done this year, but would be implemented in next year's budget.

Councilman Simmons stated that the only way he could support this is if Management is reduced to 1%. He stated that in the real world, people don't have great health insurance and huge pay raises.

Mayor Butler reminded Councilman Simmons that Management gave back \$16,000 from the wellness program and gave back in health insurance. In addition, Management doesn't have steps or longevity.

Councilman Smith commented that he would rather keep jobs. However, the economic reality is that people are losing jobs and they are the ones paying the bills. He stated that the City needs to take a long-term look at the budget. He stated that his concern is that once this budget is fixed, down the road the City will be faced with the same situation. He stated that he thinks we have to fix this budget with lasting effects.

Mayor Butler polled the Council concerning his proposal and the following was the result:

Councilwoman Burns – Yes

Councilman Clough – No

Councilman Simmons – Yes, if Management raises are cut back to 1%.

Councilman Smith – Yes, contingent upon fixing the budget as a whole.

Mayor Butler – Yes

Meeting adjourned at 11:15 a.m.

Donna M. Dutton, City Clerk